



General Assembly

January Session, 2003

Raised Bill No. 6484

LCO No. 3446

Referred to Committee on Program Review and Investigations

Introduced by:
(PRI)

***AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE
PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE
CONCERNING ENERGY MANAGEMENT BY STATE GOVERNMENT.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16a-37u of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2003*):

3 (a) The Secretary of the Office of Policy and Management shall be
4 responsible for planning and managing energy use in state-owned and
5 leased buildings and shall establish a program to maximize the
6 efficiency with which energy is utilized in such buildings. [He] The
7 secretary shall exercise this authority by (1) preparing and
8 implementing annual and long-range plans, with timetables,
9 establishing goals for reducing state energy consumption and, based
10 on energy audits, specific objectives for state agencies to meet the
11 performance standards adopted under section 16a-38, as amended by
12 this act; (2) coordinating federal and state energy conservation
13 resources and activities, including but not limited to, those required to
14 be performed by other state agencies under this chapter; and (3)
15 monitoring energy use and costs by budgeted state agencies on a

16 monthly basis.

17 (b) Not later than January fifth, annually, the Secretary of the Office
18 of Policy and Management shall submit a report to the Governor and
19 the joint standing committee of the General Assembly having
20 cognizance of matters relating to energy planning and activities. The
21 report shall (1) indicate the total number of energy audits and technical
22 assistance audits of state-owned and leased buildings, (2) summarize
23 the status of the energy conservation measures recommended by such
24 audits, (3) summarize all energy conservation measures implemented
25 during the preceding twelve months in state-owned and leased
26 buildings which have not had such audits, (4) analyze the availability
27 and allocation of funds to implement the measures recommended
28 under subdivision (2) of this subsection, (5) list each budgeted agency,
29 as defined in section 4-69, which occupies a state-owned or leased
30 building and has not cooperated with the Commissioner of Public
31 Works and the Secretary of the Office of Policy and Management in
32 conducting energy and technical assistance audits of such building and
33 implementing operational and maintenance improvements
34 recommended by such audits and any other energy conservation
35 measures required for such building by the secretary, (6) summarize
36 all life-cycle cost analyses prepared under section 16a-38, as amended
37 by this act, during the preceding twelve months, and summarize
38 agency compliance with the life-cycle cost analyses, and (7) identify
39 any state laws, regulations or procedures that impede innovative
40 energy conservation and load management projects in state buildings.

41 (c) The Secretary of the Office of Policy and Management, in
42 conjunction with the Department of Public Works, shall as soon as
43 practicable and where cost-effective connect all state-owned buildings
44 to a district heating and cooling system, where such heating and
45 cooling system currently exists or where one is proposed. The
46 secretary, in conjunction with the Department of Public Works, shall
47 prepare an annual report with the results of [his] the progress in
48 connecting state-owned buildings to such a heating and cooling

49 system, the cost of such connection and any projected energy savings
50 achieved through any such connection. The secretary shall submit [his]
51 the report to the joint standing committee of the General Assembly
52 having cognizance of matters relating to energy on or before January 1,
53 1993, and January first annually thereafter.

54 (d) The Secretary of the Office of Policy and Management shall
55 require each state agency to maximize its use of public service
56 companies' energy conservation and load management programs and
57 to provide sites in its facilities for demonstration projects of highly
58 energy efficient equipment, provided such demonstration project does
59 not impair the functioning of the facility.

60 Sec. 2. Section 16a-38 of the general statutes is repealed and the
61 following is substituted in lieu thereof (*Effective October 1, 2003*):

62 (a) As used in this section, subsection (e) of section 4b-23, sections
63 16a-38a and 16a-38b, unless the context otherwise requires: (1) "Major
64 capital project" means the construction or renovation of a major
65 facility; (2) "major facility" means any building owned by the state or
66 constructed or renovated wholly or partly with state funds, including a
67 state-financed housing project, which is used or intended to be used as
68 a school or which has ten thousand or more gross square feet, or any
69 other building so owned, constructed or renovated which is
70 designated a major facility by the Commissioner of Public Works; (3)
71 "renovation" means additions, alterations or repairs to a major facility
72 which the Commissioner of Public Works finds will have a substantial
73 effect upon the energy consumption of the facility; (4) "life-cycle cost"
74 means the cost, as determined by the methodology identified in the
75 National Institute of Standards and Technology's special publication
76 544 and interagency report 80-2040, available as set forth in the Code of
77 Federal Regulations, Title 15, Part 230, of a major facility including the
78 initial cost of its construction or renovation, the marginal cost of future
79 energy capacity, the cost of the energy consumed by the facility over
80 its expected useful life or, in the case of a leased facility, over the

81 remaining term of the lease, and the cost of operating and maintaining
82 the facility as such cost affects energy consumption; (5) "energy
83 performance standard" means a rate of energy consumption which is
84 the minimum practically achievable, on a life-cycle cost basis, by
85 adjusting maintenance or operating procedures, modifying a
86 building's equipment or structure and utilizing renewable sources of
87 energy; (6) "energy audit" means an evaluation of, recommendations
88 for and improvements of the energy consumption characteristics of all
89 passive, active and operational energy systems and components by
90 demand and type of energy used including the internal energy load
91 imposed on a building by its occupants, equipment and components,
92 and the external energy load imposed on a building by the climatic
93 conditions at its location; (7) "renewable sources of energy" means
94 energy from direct solar radiation, wind, water, geothermal sources,
95 wood and other forms of biomass; (8) "cost effective" means that
96 savings exceed cost over a ten-year period; (9) "state agency" means
97 any department, board, commission, institution, or other agency of this
98 state; and (10) "covered products" means the consumer products set
99 forth as covered products in the Energy Policy and Conservation Act,
100 42 USC 6292.

101 (b) (1) Except as provided in subsection (f) of this section, the
102 Commissioner of Public Works and the Secretary of the Office of
103 Policy and Management shall jointly establish and publish standards
104 for life-cycle cost analyses required by this section for buildings owned
105 or leased by the state. Such life-cycle cost analyses for buildings shall
106 provide, but shall not be limited to, information on the estimated
107 initial cost of each energy-consuming system being compared and
108 evaluated, annual operating and maintenance costs of all energy-
109 consuming systems over the useful life of the building, cost of energy,
110 salvage value and the estimated replacement cost for each energy-
111 consuming system or component expressed in annual terms for the
112 useful life of the building.

113 (2) Except as provided in subsection (f) of this section, the

114 Commissioner of Administrative Services and the Secretary of the
115 Office of Policy and Management may jointly establish and publish
116 standards for life-cycle cost analyses required by this section for
117 equipment and appliances owned or leased by the state which are not
118 covered products, and for such equipment and appliances which are
119 covered products. In establishing such standards, the commissioner
120 and secretary shall consider the criteria set forth in subsection (j) of this
121 section.

122 (c) No state agency shall obtain preliminary design approval for a
123 major capital project unless the Commissioner of Public Works makes
124 a written determination that the design is cost effective on a life-cycle
125 cost basis. To make such a determination, the commissioner (1) shall
126 require documentation that the design meets or exceeds the standards
127 set forth in the National Bureau of Standards Handbook 135, or
128 subsequent corresponding handbook of the United States Department
129 of Commerce and the State Building Code, and (2) may require
130 additional documentation, including, but not limited to, a life-cycle
131 cost analysis that complies with the standards established pursuant to
132 subdivision (1) of subsection (b) of this section.

133 (d) All design proposals for major capital projects shall include at
134 least two differing energy systems for space heating, cooling and hot
135 water to supplement the passive features designed into the building.
136 Such proposals may include computer or other analytical modeling or
137 simulation but shall not be construed to require the development of
138 architectural or mechanical design plans for each such system. All cost
139 evaluations of the competing energy systems shall be based on life-
140 cycle costs. A life-cycle cost analysis for each competing energy system
141 determined by the Commissioner of Public Works to meet the
142 standards of subsection (b) of this section shall be included as part of
143 the design proposal for all projects. No major capital project shall be
144 approved by the Commissioner of Public Works or by the State
145 Properties Review Board pursuant to section 4b-23, after June 30, 1980,
146 unless the proposed project achieves to the maximum extent

147 practicable the energy performance standards established in
148 accordance with subsection (b) or (g) of this section.

149 (e) All applications for state funding of major capital projects shall
150 be accompanied by a life-cycle cost analysis which the Commissioner
151 of Public Works has determined complies with the standards
152 established pursuant to subsection (b) of this section. The
153 Commissioner of Public Works or the Secretary of the Office of Policy
154 and Management may require such a life-cycle cost analysis for
155 projects other than major capital projects.

156 (f) The Commissioner of Economic and Community Development
157 and the Secretary of the Office of Policy and Management shall jointly
158 establish and publish energy performance standards for buildings
159 constructed as part of state-owned and state-financed housing projects
160 and establish standards for life-cycle cost analyses for such projects. In
161 establishing such standards, the commissioner and secretary shall
162 require all projects to meet or exceed all aspects of the Silver
163 Leadership in Energy and Environmental Design's Rating System for
164 New Construction building rating, as established by the United States
165 Green Building Council, as revised from time to time, and consider (1)
166 the coordination, positioning and solar orientation of the project on its
167 situs, (2) the amount of glazing, degree of sun shading and direction of
168 exposure, (3) the levels of insulation incorporated into the design, (4)
169 the variable occupancy and operating conditions of the facility, (5) all
170 architectural features which affect energy consumption, and (6) the
171 design and location of all heating, cooling, hot water and electrical
172 systems.

173 (g) Notwithstanding any provision in this section concerning the
174 review of life-cycle cost analyses by the Commissioner of Public
175 Works, a life-cycle cost analysis of a major capital project prepared for
176 the Department of Housing shall be reviewed by the Commissioner of
177 Economic and Community Development and the Secretary of the
178 Office of Policy and Management to determine if such analysis is in

179 compliance with the life-cycle cost analyses standards established for
180 such project under subsection (f) of this section.

181 (h) Each state agency preparing a life-cycle cost analysis under this
182 section shall submit a summary of the analysis to the Secretary of the
183 Office of Policy and Management.

184 (i) Except as provided in subsection (f) of this section, the
185 Commissioner of Public Works and the Secretary of the Office of
186 Policy and Management shall jointly establish and publish energy
187 performance standards for existing and new buildings owned or
188 leased by the state. Such standards shall require maximum efficiency
189 in energy use in all such buildings and maximum practicable use of
190 renewable sources of energy in all such buildings. In establishing such
191 standards, the commissioner and secretary shall require all projects to
192 meet or exceed all aspects of the Silver Leadership in Energy and
193 Environmental Design's Rating System for New Construction building
194 rating, as established by the United States Green Building Council, as
195 revised from time to time, or a similar standard adopted by the
196 commissioner and secretary and consider (1) the coordination,
197 positioning and solar orientation of the project on its situs, (2) the
198 amount of glazing, degree of sun shading and direction of exposure,
199 (3) the levels of insulation incorporated into the design, (4) the variable
200 occupancy and operating conditions of the facility, (5) all architectural
201 features which affect energy consumption, and (6) the design and
202 location of all heating, cooling, hot water and electrical systems.

203 (j) Except as provided in subsection (f) of this section, the
204 Commissioner of Administrative Services and the Secretary of the
205 Office of Policy and Management may jointly establish and publish
206 energy performance standards for equipment and appliances owned
207 or leased by the state which are not covered products, and for such
208 equipment and appliances which are covered products. Any such
209 standards shall require maximum energy efficiency for all such
210 equipment and appliances and, for equipment and appliances owned

211 or leased by the state which are covered products, shall be more
212 stringent than the corresponding federal energy conservation
213 standards set forth in the Energy Policy and Conservation Act, 42 USC
214 6295, or federal regulations adopted thereunder. In establishing such
215 standards, the commissioner and secretary shall consider, without
216 limitation, (1) the initial cost of the equipment or appliance, (2) the
217 projected useful lifetime of the equipment or appliance, (3) the
218 projected cost of the energy that the equipment or appliance will
219 consume over its projected useful lifetime, (4) the estimated operating
220 costs for maintenance and repair, over the projected useful lifetime of
221 the equipment or appliance, and (5) the positive or negative salvage
222 value of the equipment or appliance upon disposal at the conclusion of
223 its projected useful lifetime.

224 (k) Any life-cycle cost analysis standards established pursuant to
225 subdivision (2) of subsection (b) of this section and any energy
226 performance standards established pursuant to subsection (j) of this
227 section shall be implemented in accordance with the purchasing
228 requirements set forth in chapter 58, and any regulations adopted
229 thereunder, and the provisions of this section and section 16a-38j.

230 Sec. 3. Section 4-73 of the general statutes is repealed and the
231 following is substituted in lieu thereof (*Effective October 1, 2003*):

232 (a) Part II of the budget document shall present in detail for each
233 fiscal year of the ensuing biennium the Governor's recommendation
234 for appropriations to meet the expenditure needs of the state from the
235 General Fund and from all special and agency funds classified by
236 budgeted agencies and showing for each budgeted agency and its
237 subdivisions: (1) A narrative summary describing the agency, the
238 Governor's recommendations for appropriations for the agency and a
239 list of agency programs, the actual expenditure for the last-completed
240 fiscal year, the estimated expenditure for the current fiscal year, the
241 amount requested by the agency and the Governor's recommendations
242 for appropriations for each fiscal year of the ensuing biennium; (2) a

243 summary of permanent full-time positions by fund, setting forth the
244 number filled and the number vacant as of the end of the last-
245 completed fiscal year, the total number intended to be funded by
246 appropriations without reduction for turnover for the fiscal year in
247 progress, the total number requested and the total number
248 recommended for each fiscal year of the biennium to which the budget
249 relates.

250 (b) In addition, programs shall be supported by: (1) The statutory
251 authorization for the program; (2) a statement of program objectives;
252 (3) a description of the program, including a statement of need,
253 eligibility requirements and any intergovernmental participation in the
254 program; (4) a statement of performance measures by which the
255 accomplishments toward the program objectives can be assessed,
256 which shall include, but not be limited to, an analysis of the workload,
257 quality or level of service and effectiveness of the program; (5)
258 program budget data broken down by major object of expenditure,
259 showing additional federal and private funds; (6) a summary of
260 permanent full-time positions by fund, setting forth the number filled
261 and the number vacant as of the end of the last-completed fiscal year,
262 the total number intended to be funded by appropriations without
263 reduction for turnover for the fiscal year in progress, the total number
264 requested and the total number recommended for each fiscal year of
265 the biennium to which the budget relates; (7) a statement of
266 expenditures for the last-completed and current fiscal years, the
267 agency request and the Governor's recommendation for each fiscal
268 year of the ensuing biennium and, for any new or expanded program,
269 estimated expenditure requirements for the fiscal year next succeeding
270 the biennium to which the budget relates; and (8) an explanation of
271 any significant program changes requested by the agency or
272 recommended by the Governor.

273 (c) (1) There shall be a supporting schedule of total agency
274 expenditures including a line-item, minor object breakdown of
275 personal services, energy costs, contractual services and commodities

276 and a total of state aid grants and equipment, showing the actual
277 expenditures for the last-completed fiscal year, estimated expenditures
278 for the current fiscal year and requested and recommended
279 appropriations for each fiscal year of the ensuing biennium, classified
280 by objects according to a standard plan of classification.

281 (2) In addition, the supporting schedule of agency energy costs shall
282 be supported by a statement of the agency's plans for energy
283 conservation in each fiscal year of the ensuing biennium, and a
284 statement of the progress the agency has made in the last-completed
285 fiscal year concerning energy conservation.

286 (d) All federal funds expended or anticipated for any purpose shall
287 be accounted for in the budget. The document shall set forth a listing
288 of federal programs, showing the actual expenditures for the last-
289 completed fiscal year, estimated expenditures for the current fiscal
290 year and anticipated funds available for expenditure for each fiscal
291 year of the ensuing biennium. Such federal funds shall be classified by
292 program in each budgeted agency but shall not include research grants
293 made to educational institutions.

294 (e) Part II of the budget document shall also set forth the budget
295 recommendations for the capital program, to be supported by
296 statements listing the agency's requests and the Governor's
297 recommendations with the statements required by section 4-78.

298 (f) The appropriations recommended for the legislative branch of
299 the state government shall be the estimates of expenditure
300 requirements transmitted to the Secretary of the Office of Policy and
301 Management by the Joint Committee on Legislative Management
302 pursuant to section 4-77 and the recommended adjustments and
303 revisions of such estimates shall be the recommended adjustments and
304 revisions, if any, transmitted by said committee pursuant to said
305 section 4-77.

306 Sec. 4. (*Effective from passage*) Not later than December 15, 2003, the

307 Secretary of the Office of Policy and Management shall require a report
 308 from each state agency concerning the methods available to the agency
 309 to reduce energy costs and the feasibility of implementing said
 310 methods. Not later than January 15, 2004, the secretary shall schedule a
 311 public hearing on the reports and shall invite the members of the joint
 312 standing committees of the General Assembly having cognizance of
 313 matters relating to appropriations and energy and technology and the
 314 Legislative Program Review and Investigations Committee.

315 Sec. 5. (*Effective from passage*) The Connecticut Energy Advisory
 316 Board shall study and determine which state agency it believes should
 317 have responsibility for oversight of the state's energy policy. Not later
 318 than January 15, 2004, the board shall complete a report on its findings
 319 and recommendations and shall submit the report to the joint standing
 320 committee of the General Assembly having cognizance of matters
 321 relating to energy in accordance with section 11-4a of the general
 322 statutes.

323 Sec. 6. (*Effective from passage*) Not later than July 1, 2003, the Office of
 324 Policy and Management and the Department of Public Works shall
 325 establish a pilot program under which the state selects an existing state
 326 facility or complex of facilities to be covered by an energy performance
 327 contract with a private vendor. The agencies that participate in the
 328 pilot program shall submit reports on the results of the program to the
 329 joint standing committees of the General Assembly having cognizance
 330 of matters relating to appropriations and energy and technology in
 331 accordance with section 11-4a of the general statutes. Such reports
 332 shall be submitted not later than three months after the effective date
 333 of the contract and annually thereafter until the final report is
 334 submitted not later than three months after the termination of the
 335 contract.

| | |
|--|------------------------|
| This act shall take effect as follows: | |
| Section 1 | <i>October 1, 2003</i> |
| Sec. 2 | <i>October 1, 2003</i> |

| | |
|--------|------------------------|
| Sec. 3 | <i>October 1, 2003</i> |
| Sec. 4 | <i>from passage</i> |
| Sec. 5 | <i>from passage</i> |
| Sec. 6 | <i>from passage</i> |

Statement of Purpose:

To implement the recommendations of the Program Review and Investigations Committee concerning energy management by state government.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]